

109TH CONGRESS
1ST SESSION

H. R. 1560

To amend the Internal Revenue Code of 1986 to increase the exclusion equivalent of the unified credit allowed against the estate tax to \$7,500,000 and to establish a flat estate tax rate.

IN THE HOUSE OF REPRESENTATIVES

APRIL 12, 2005

Mr. FORD introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to increase the exclusion equivalent of the unified credit allowed against the estate tax to \$7,500,000 and to establish a flat estate tax rate.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INCREASE IN EXCLUSION EQUIVALENT OF UNI-**
4 **FIED CREDIT TO \$7,500,000.**

5 (a) IN GENERAL.—Subsection (c) of section 2010 of
6 the Internal Revenue Code of 1986 (relating to applicable
7 credit amount) is amended by striking all that follows “the
8 applicable exclusion amount” and inserting “. For pur-

1 poses of the preceding sentence, the applicable exclusion
 2 amount is \$7,500,000.”.

3 (b) MODIFICATION OF ESTATE TAX RATE SCHED-
 4 ULE.—Subsection (c) of section 2001 of such Code (relat-
 5 ing to rate schedule) is amended to read as follows:

6 “(c) RATE.—The tentative tax on the amount with
 7 respect to which the tentative tax is to be computed is
 8 27.5 percent of such amount.”.

9 (c) REPEAL OF CERTAIN ESTATE AND GIFT TAX
 10 PROVISIONS MADE BY EGTRRA.—

11 (1) Subtitles A and E of title V, and sub-
 12 sections (d), (e), and (f)(3) of section 511, of the
 13 Economic Growth and Tax Relief Reconciliation Act
 14 of 2001, and the amendments made by such provi-
 15 sions, are hereby repealed. The Internal Revenue
 16 Code of 1986 shall be applied and administered as
 17 if such provisions, and amendments, had never been
 18 enacted.

19 (2) Section 901 of the Economic Growth and
 20 Tax Relief Reconciliation Act of 2001 shall not
 21 apply to title V of such Act.

22 (d) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply to estates of decedents dying, and
 24 gifts made, after December 31, 2005.

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